

REMARKS

This is in full and timely response to the above-identified Office Action. The above listing of the claims replaces all prior versions, and listings, of claims in the application. Reexamination and reconsideration in light of the proposed amendments and the following remarks are respectfully requested.

Rejections under 35 USC § 103

The rejection of claims 1-3 and 5-12 under 35 USC (a) as being unpatentable over Arrieta (EP 1179811) in view of Allen et al. (USP 6,776,332) is respectfully traversed.

In order to establish a *prima facie* case of obviousness, it must be shown that the hypothetical person of ordinary skill would, without any knowledge of the claimed subject matter and without any inventive activity, be motivated to arrive at the claimed subject matter given the guidance of the cited references when each is fully considered as statutorily required.

Arrieta teaches a form of banknote with a security feature in the form of a memory chip inductively powered by RF. The chip is, in a least one embodiment, concealed beneath/within a hologram which also provides the antenna for the memory chip.

In this rejection, it is acknowledged that Arrieta is silent as to the memory circuit being protected from access by an unauthorized reader. To overcome this, the office action states that methods of mutual verification between a reader and a securing document/card are well known and that this usually relies on cryptographic keys or the like to verify the reader and the document and to authorize/validate an exchange of data between the document and reader.

However, this position is not well taken. The reaction of a reader and its ability to read information in the presence of the circuit is not at issue. What is at issue in Arrieta is that someone is prevented from finding the circuit and changing the memory so that an erroneous reading is induced in the reader.

The rejection also notes that Arrieta teaches protecting the information from the public and quotes paragraph [006] on as a source of this teaching. At this point it is worth noting that hiding a device from the public is not the same as protecting information contained in the device from the public. Indeed, the rejection must be understood as purporting that the public needs to be denied access to the information.

Inasmuch as Arrieta discloses the incorporation of a circuit into a banknote for the sake of identifying real money from counterfeit (for example), it is clear that the public – such as store keepers, bank clerks and the like – must be permitted, and indeed are intended, to detect the presence of a signal indicating that the money is real. It is therefore submitted that there is clear reason why the Arrieta document is silent as to the memory circuit being protected from access by an unauthorized reader.

More specifically, the concealment in Arrieta, such as integrating the circuit arrangement into a hologram, is intended to prevent illegal modification, or destructive manipulation of the device, not prevent access to the information. There is a fundamental error in the logic underling this rejection.

The rejection cites Allen et al., as providing teachings which would enable the prevention of unauthorized readers from reading information of an identity card. However, In this instance, the card contains information other than that which confirms that the card is authentic and not an illegal copy, such as PIN numbers and the like. If this information can be accessed using an unauthorized reader, then, if the card is lost and the data contained therein is illegally accessed, a security breach is rendered possible and bank accounts, data banks and the like are placed at high risk.

In a nutshell, Arrieta is directed to arrangements which enable forged documents to be discriminated from real documents and therefore is intended to give up its information readily, but prevent the information from being changed by concealing the device so its location is difficult to find. Allen et al., on the other hand, is such as to make it difficult, if not extremely difficult, to read the card and to ensure that information is given up only under carefully controlled/authorized conditions.

It is submitted that applying the teachings of Allen et al. to Arrieta would tend to defeat the purpose of Arrieta by rendering it extremely difficult to tell a real \$20 bill from

a counterfeit one (for example). The public is protected by being able to readily detect the difference between real money and counterfeit money. The more readily real money can be detected the better it is for the public. On the other hand, it is important that the information can not be changed so that a person's name on a passport, for example, could be changed for illegal purposes. It is therefore important to protect/conceal the device which provides this information to avoid tampering.

"If the proposed modification or combination of the prior art would change the principle of operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claims prima facie obvious. *In re Ratti*, 270 F.2d 810, 123 USPQ 349 (CCPA 1959)." M.P.E.P. § 2143.02.

Alternatively,

"If the proposed modification would render the prior art invention being modified unsatisfactory for its intended purpose, then there is no suggestion or motivation to make the proposed modification. *In re Gordon*, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984)." M.P.E.P. § 2143.01.

It is thus submitted that the hypothetical person of ordinary skill would not, in light of the teachings of the two references relied upon. arrive at a security document, comprising a printed document and one or more memory circuits configured to be read wirelessly and attached to or incorporated within the printed document, wherein data in the memory circuit is protected from access by an unauthorized reader, and wherein the memory circuit is physically isolated so as to inhibit physical tampering or is configured to indicate when physical tampering has occurred.

A further shortcoming in this rejection is that Allen et al. is acknowledged as disclosing a card, but the card is "broadly interpreted as a printed security document" since card have printing on them. Printing or not, a card is still a card and there is nothing advanced in this rejection which would enable the hypothetical person of ordinary skill from ignoring the clear teachings that Allen et al. pertains to cards. The yardstick here is what the hypothetical person of ordinary skill would glean from the

Allen et al. reference. That is to say, this rejection is made under 35 USC § 103 and it is necessary for each document to be considered as a whole.

The above-mentioned "broad interpretation" may be feasible under § 102, but not in this case. In short, a card is a card and is not a paper thin document as would be understood by the hypothetical person of ordinary skill in light of the disclosure of Arrieta. It is submitted that a *prima facie* case of obviousness cannot be established using the Arrieta and Allen et al. references for at least the reasons advanced above.

Conclusion

It is respectfully submitted that the claims pending in this application contain subject matter which is neither disclosed nor rendered obvious by the art of record. Favorable reconsideration and allowance of this application is courteously solicited.

Respectfully submitted,

By

William T. Ellis
Registration No. 26,874

Keith J. Townsend
Registration No. 40,358

Date February 7, 2005

HEWLETT-PACKARD COMPANY
Customer Number: 22879